

33-1-215. Prepaid legal insurance. (1) For the purposes of this section, prepaid legal insurance means the assumption of a contractual obligation that is to be spread, directly or indirectly, among a group of persons to provide specified legal services or reimbursement for legal expenses in consideration of a specified payment for an interval of time, regardless of whether the payment is made by the beneficiary or by a third person on behalf of the beneficiary.

2011 MCA

ADMINISTRATION AND GENERAL PROVISIONS

33-1-219

(2) Prepaid legal insurance does not include the provision of or reimbursement for legal services that are incidental to other insurance coverage. The following are not prepaid legal insurance:

- (a) retainer contracts made with individual clients with fees based on estimates of the nature and amount of services that will be required;
- (b) contracts made with a group of clients involved in the same or closely related legal matters;
- (c) plans providing only a referral service or a discount card for legal services;
- (d) legal services provided by unions or employee associations to members pertaining to employment or occupation; or
- (e) legal services provided by an agency of state or federal government to employees.

(3) Prepaid legal insurance is a type of casualty insurance provided for in 33-1-206.

History: En. Sec. 66, Ch. 472, L. 1999; amd. Sec. 11, Ch. 227, L. 2001.

33-1-216. Involuntary unemployment insurance. (1) Involuntary unemployment insurance means insurance providing the insured borrower with coverage for consumer credit replacement obligations for a period or periods during which the borrower is involuntarily unemployed. Involuntary unemployment insurance must at least provide benefits for the loss of employment income caused by individual or mass layoff, a general strike, termination by an employer, a dispute involving organized labor, and a lockout.

(2) Involuntary unemployment insurance is a type of casualty insurance provided for in 33-1-206.

History: En. Sec. 67, Ch. 472, L. 1999; amd. Sec. 12, Ch. 227, L. 2001.

33-1-217. Gap amount — gap insurance. (1) As used in this section, gap amount means the difference between the amount owed by the lessee or borrower under the purchase or lease agreement in the event of total loss of the personal property prior to the expiration of the agreement by theft or physical damage and the actual cash value or portion received by the lessor or creditor from insurance proceeds or from any other person on account of the total loss or destruction of the personal property.

(2) Gap insurance means insurance covering the gap amount that is payable upon the total loss of personal property, which is the subject of a lease or a loan or another credit transaction, occasioned by the theft of or physical damage to the property.

(3) Gap insurance is a type of casualty insurance provided for in 33-1-206.

History: En. Sec. 68, Ch. 472, L. 1999; amd. Sec. 13, Ch. 227, L. 2001.

33-1-218. Credit insurances — definitions. As used in this code, the following definitions apply:

(1) "Credit disability insurance" means the same as defined in 33-21-103.

(2) "Credit life insurance" means the same as defined in 33-21-103.

(3) "Credit property insurance" means any policy, endorsement, rider, cover note, memorandum, certificate, or other instrument or evidence of insurance covering perils to goods purchased through a credit transaction or pledged as collateral for a credit transaction and that concerns a creditor's interest in the purchased goods or pledged collateral either in whole or in part. Credit property insurance is a type of property insurance as provided for in 33-1-210.

(4) "Credit unemployment insurance" means insurance on a debtor to provide indemnity for payments or debt becoming due on a specific loan or other credit transaction while the debtor is involuntarily unemployed as defined in the policy. Credit unemployment insurance is a type of involuntary unemployment insurance as provided for in 33-1-216.

(5) "Debtor" means the same as defined in 33-21-103.

History: En. Sec. 9, Ch. 106, L. 2001